

## **CREATING CONDITIONS FOR SUSTAINABLE DEVELOPMENT - THE ESSENTIAL TASK OF THE XXI<sup>st</sup> CENTURY**

### **Editor's introductory word**

The passed century was characterized by big social turbulences and crises. That happened under the influence of market and democracy contradictions. Two sides of the market medal are generally known. Market rewards the capable and successful and punishes those who are not. The consequence of the free market activity is that the rich become richer and the poor even poorer. The parliamentary democracy protects the human rights and freedoms. However these rights include neither social rights nor social justice. These contradictions especially increased under the influence of the fourth technological (informatics) revolution. The powerful strengthening of globalization trends is the result of the influence of these same lines of force. The popular slogan that the whole world has become a big village has also got the other side of the medal. The consequence of the informatics revolution and its influence to the creation of the informatics net of global economy was the so far unseen polarization of world. Developed part of the “global village” relates to three big groups: USA, the European Union and Japan. In the margins can be mentioned the Asian tigers as well. This developed part of the “global village” relates to about 16 percent of the world population and realizes about 70 percent of the world gross domestic product. The share of the rest is clear. Such globalizing trends even more sharpened the problems which characterized the whole passed century and which we usually put under the common denominator sustainable development. By this is especially meant the three segments: economic, social and ecological.

Such globalizing world not only made the conditions for sustainable development but the opposite. Thus it is quite understandable that creating conditions for sustainable development is the main task of the XXI<sup>st</sup> century. The realization of this task must occupy the attention of everybody, especially those most important and most prominent factors of contemporary world. That especially relates to USA, The European Union and Japan. That also relates to the United Nations and its agencies and organizations as UNIDO, the World Bank, International Monetary

Fund, The World Trade Organization (WTO) and other similar and collaborated to them organizations. It should be reminded of some initiatives and shifts at the beginning of this century. This is the Conference of heads of states and governments (the President of the Republic of Croatia Stjepan Mesić was present) organized in Vatican, then the Conference in Kyoto, World Bank Report "Attacking Poverty", the last conference of WTO in Geneva. However, the most important event in this direction is unquestionably the actual initiative of Kofi Anan, the secretary general of the United Nations, related to the UN biggest reform so far. The most important part of this reform relates to the proposal that 0,7 percent of gross domestic product of the most developed sets aside and transfers in favor of the undeveloped. The most important in all that is that the United Nations establishes by consensus, as soon as possible, the agreed percentage of the mentioned redistribution. In this context it should be considered with continuity the possibilities of debt write-off for the least developed countries of the world. There is no doubt that on these fundamentals the acceleration of trade and technology transfer would already in the near future show certain shifts on behalf of the less developed and undeveloped.

Such shifts would influence the gradual improvement of cumulative deviating appearances of comprehensive world. That especially relates to various kinds of fundamentalism, those religious, national and race, as well as those which increasingly appear in the light of globalizing terrorism. The article by George Macesich and Dragomir Vojnić "America and Europe: Globalization and the Changing Geo-Strategic Environment" starts with the generally accepted presumption that after the event of September 11 nothing more would be the same. In the history of the USA this is the fourth shock which influenced the changes of geo-strategic environment. In the context of fight against globalized terrorism it is also mentioned the possibility of intervention by war. Croatia as a small country belongs to the counterterrorist coalition. However the war interventions aimed to suppressing globalizing terrorism are possible only within the frames of the United Nations and the Security Council agreement. Only in this case the fight against globalizing terrorism can give contributions to sustainable development.

The article by Dragomir Vojnić "Market, damnation and salvation" considers the market and democracy contradictions and their consequences for such polarization of contemporary world which represents not good conditions for sustainable development. Stopping the process in which the rich become richer and the poor poorer is not possible without the combination of the market and solidarity criteria in organization of economy and society. That relates to the level of states, level of integration of the states (as EU) and the planetary level. The existing UN reform should go in this direction.

The American professor Manuel Castells from the Berkeley University gives the same or similar messages in his books published between 1996-2001 in the context of sustainable development and solidarity.

These messages were given very well and differentiated in the study article by Milan Mesarić: “Informatics revolution and its influence to creation of informatics, net, global economy – the analysis of Manuel Castells”.

Looking at economic (and not only economic) segments of sustainable development it should be reminded that contemporary capitalism was not saved by the invisible hand of Adam Smith but on the contrary by the very visible hand of John Maynard Keynes. Only in combination of these two doctrines can be realized the efficient development and successful economic policy. The lack of such approach during the ninetieth imposed huge damages to Croatian economy and society. These comprehensions must be also taken into account by the economists and analysts who consider themselves both as neoliberals and neokeynesians.

At the end of this introductory preamble especially should be cited some very important segments from the “World Development Report 2000/2002. Attacking Poverty”:

“The world has deep poverty amid plenty. Of the world’s 6 billion people, 2.8 billion – almost half – live on less than \$2 a day, and 1.2 billion – a fifth – live on less than \$1 a day, with 44 percent living in South Asia. In rich countries fewer than 1 child in 100 does not reach its fifth birthday, while in the poorest countries as many as a fifth of children do not. And while in rich countries fewer than 5 percent of all children under five are malnourished, in poor countries as many as 50 percent are.

This destitution persists even though human conditions have improved more in the past century than in the rest of history – global wealth, global connections, and technological capabilities have never been greater. But the distribution of these global gains is extraordinarily unequal. The average income in the richest 20 countries is 37 times the average in the poorest 20 – a gap that has doubled in the past 40 years. And the experience in different parts of the world has been very diverse. In East Asia the number of people living on less than \$1 a day fell from around 420 million to around 280 million between 1987 and 1998 – even after the setbacks of the financial crisis. Yet in Latin America, South Asia, and Sub-Saharan Africa the numbers of poor people have been rising. And in the countries of Europe and Central Asia in transition to market economies, the number of people living on less than \$1 a day rose more than twentyfold”, pp 3

“Democracy – both representative and participatory – is good in itself. But democratic political processes alone are not enough to ensure that poverty reduction is taken as a key priority in society’s efforts. Political and social ideologies shape the extent to which democratic systems actually reduce poverty. Different philosophies underlying welfare policies in OECD countries produce very different outcomes in poverty reduction – despite the fact that all these countries have a long history of democratic political institutions and high per capita income”, pp113.

These citations confirm the best the generally known fact that neither market nor democracy (although they are the central institutions of our civilization) can by themselves solve the problems of sustainable development. That demands a meaningful and well organized planetary action.

Beside the most powerful and developed countries in the world a decisive ideological, political and organizational role in tracing the ways of sustainable development must have the United Nations. The already mentioned reform could give the positive shifts (results) in the years to come.

Dragomir Vojnić